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AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

WILLIAM THOMSON
DEPUTY AUDITOR GENERAL

June 21, 2006

The Honorable Laura Knaperek, Chair
Joint Legislative Audit Committee

The Honorable Robert Blendu, Vice Chair
Joint Legislative Audit Committee

Dear Representative Knaperek and Senator Blendu:

Our Office has recently completed a 24-month followup of the Department of Health Services, Division of Behavioral Health Services' HB2003 Funding for Adults with Serious Mental Illness regarding the implementation status of the 9 audit recommendations (including sub-parts of the recommendations) presented in the performance audit report released in April 2004 (Auditor General Report No. 04-03). As the attached grid indicates:

- 7 have been implemented, and
- 2 are no longer applicable.

Unless otherwise directed by the Joint Legislative Audit Committee, this report concludes our follow-up work on BHS' efforts to implement the recommendations resulting from the April 2004 performance audit.

Sincerely,

Debbie Davenport
Auditor General

DD:lmn
Attachment

cc: Susan Gerard, Director
Department of Health Services

DEPARTMENT OF HEALTH SERVICES
Division of Behavioral Health Services HB2003
24-Month Follow-Up Report To
Auditor General Report No. 04-03

FINDING 1: Consumers benefited from housing programs

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
1. The Division should conduct its own impact analysis of HB2003 housing programs and services. Specifically, the Division should:		
a. Assess consumers' progress at CPSA, NARBHA, and PGBHA after they have lived in the new housing for at least 6 months.	Implemented at 18 Months	
b. Determine the HB2003 housing programs' impact on hospitalization and arrests once sufficient data becomes available.	Implemented at 18 Months	
c. Work with Excel to determine what outcomes should be expected for consumers in Excel's independent housing, and analyze the impact of Excel's housing program against those expected outcomes.	No Longer Applicable ¹	
2. The Division should develop recommendations and provide technical assistance to the RBHAs to improve consumer housing based on the results of its research.	Implemented at 24 Months	

¹ Although Excel remained the Regional Behavioral Health Authority (RBHA) for the Yuma – LaPaz geographic service area for 14 months after the audit report was released, BHS did not implement this recommendation during that time. As of July 1, 2005, Excel was replaced by Cenpatico as the RBHA for that service area.

DEPARTMENT OF HEALTH SERVICES
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FINDING 2: Consumers show modest gain from intensive case management programs

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
1. The Division should conduct its own impact analysis of HB2003 intensive case management services. Specifically, the Division should:		
a. Analyze arrests for all RBHAs that developed intensive case management programs since only two of four RBHAs had enough complete information to include in the Auditor General’s analysis.	Implemented at 18 Months	
b. Evaluate the impact on length of hospital stay once the data regarding discharge dates is complete enough for analysis.	Implemented at 18 Months	
c. Examine the causes for the lack of significant results for PGBHA’s consumers.	No Longer Applicable ²	
2. The Division should develop recommendations and provide technical assistance to the RBHAs to improve their intensive case management programs based on the results of its research.	Implemented at 24 Months	

² Although PGBHA remained the RBHA for the Pinal – Gila geographic service area for 14 months after the audit report was released, BHS did not implement this recommendation during that time. As of July 1, 2005, PGBHA was replaced by Cenpatico as the RBHA for that service area.

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Division of Behavioral Health Services HB2003
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FINDING 3: Rehabilitation activities have increased

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
<p>1. The Division should analyze rehabilitation activity levels to determine if ValueOptions' and CPSAs' consumers continue to increase activity levels, and whether other consumers eventually increase activity levels. Based on the results of its analysis, the Division should provide technical assistance to the RBHAs, and to PGBHA in particular, to identify and implement any program changes needed to increase rehabilitation activity levels in their respective geographic service areas. The Division could do this analysis as part of the program evaluation that it plans to conduct once the RBHAs spend all of their HB2003 monies.</p>	<p>Implemented at 24 Months¹</p>	

¹ As of July 1, 2005, PGBHA was replaced by Cenpatico as the RBHA for the Pinal – Gila geographic service area.